

PUBLIC COMMENT PERIOD
CITY OF WORCESTER DRAFT FIVE-YEAR CONSOLIDATED PLAN
DESIMINATION OF DRAFT GOALS & OBJECTIVES

The City of Worcester DRAFT five-year Consolidated Submission for Community Development is available up through 5:00 PM, Thursday, May 27, 2010 for a public review comment period. DRAFT 5-Year Consolidated Plan Goals & Objectives for 2010-15 are included below with this document for your review. The new Consolidated Submission will be used to guide housing and community development planning, priorities, and determine consistency for program funding decisions for the period of July 1, 2010 – June 30, 2015. The U.S. Department of Housing and Urban Development requires that this document be prepared in order for the city to access federal, state and other public and private grant funds through programs including (but not limited) to the Community Development Block Grant (CDBG), the HUD Section 108 Program, the HOME Program, Housing Opportunities for Persons With AIDS (HOPWA), Emergency Shelter Grant (ESG), Emergency Solutions Grant, Supportive Housing and other Continuum of Care programs for Homeless and Special Need's populations, Homeless Prevention and Rapid Re-Housing Program (HPRP), Neighborhood Stabilization Program (NSP), Neighborhood Revitalization Strategy Areas (NRSA), Community Development Block Grant Recovery Act (CDBG ARRA), Lead-Based Paint Hazard Control Program, Lead Hazard Reduction Control Program, Energy Efficiency & Conservation Block Grant (EECBG).

The City of Worcester invites all parties to provide comments and/or submit written materials, letters, reports and documents relative to the draft consolidated plan, and/or the below included draft goals & objectives, and/or other housing and community development needs to the Tony Miloski, Director of Public Services, Executive Office of Economic and Neighborhood Development (EOEND), 44 Front Street – Suite 520, Worcester MA 01608, miloskia@worcesterma.gov, (508) 799-1400 x227 (tel) /508 799-1406 (fax) no later than 5:00 P.M., Thursday, May 27, 2010.

Contents of the Draft Consolidated Submission include: I. Consultation Process; II. Citizen Participation; III Housing & Homelessness Needs Assessment; IV. Housing Market Analysis; V. Strategic Plan; VI. Action Plan (One-Year). EOEND will provide reasonable access to citizens, public agencies, and other interested parties to records regarding any uses of assistance for affordable and supportive housing that the City may have received during the last five years including the City's Consolidated Annual Performance and Evaluation Report (CAPER) - latest submission 9/30/09.

If you have any questions regarding this notice, or have concerns relative to these needs of non-English speaking or handicapped persons, please contact EOEND - Tony Miloski at 799-1400, 44 Front Street - Suite 520, Worcester, MA 01608., miloskia@worcesterma.gov. Information and technical assistance will be provided to groups that represent persons of low and moderate income.

DRAFT 5-YEAR CONSOLIDATED PLAN
GOALS & OBJECTIVES FOR 2010-15

POLICY & PROGRAM IMPLEMENTATION

Goal 1: Administer federal, state and local resources in support of strategic neighborhood revitalization and community and economic development goals, as well as to support the provision of public services that will benefit low and moderate income residents throughout the city.

2010-15 Objectives:

- Ensure full compliance with all laws and regulations associated with \$26 million of federal and state funding sources, including federal CDBG, ESG, HOME, and HOPWA entitlement funds and Continuum of Care for the Homeless funds.
- Coordinate and facilitate citizen participation and input in design, development and evaluation of programs and services.
- Procure services, execute and administer over 75 sub-recipient and vendor contracts to carry out public services delivery, housing, community and economic development programs and projects.
- Manage and evaluate progress of all contracted vendors and sub-recipients
- Provide reports as needed to all funding sources, City Council and Sub-Committees and to citizen and neighborhood stakeholder groups.
- Prepare Annual Action Plans governing CDBG, HOME, ESG, and HOPWA expenditures in accordance with 5-year HUD Consolidated Plan.

Goal 2: Develop Policy and Programs in support of strategic neighborhood revitalization and community and economic development goals, as well as to support the provision of public services that will benefit low and moderate income residents throughout the city.

2010-15 Objectives:

- Continue implementation of CDBG funded programs in support of five (5) HUD designated Neighborhood Revitalization Strategy Areas. Develop specific, measurable outcomes for each NRSA activity, and monitor annual performance.
- Develop and implement Homeless Intervention and Prevention programs in support of the “Three Year Plan to End Homelessness in Worcester.”
- Work to stabilize city neighborhoods that are strained by the epidemic of mortgage foreclosures, through implementation of the City Manager’s comprehensive three-part “S.A.V.E. Our Neighborhoods” action plan in conjunction with public and other resources leveraged through the federal and state funded Neighborhood Stabilization Programs (NSP) aimed at dealing with vulnerable properties and protecting the local housing stock. The S.A.V.E. (Stabilize-Assist-Value-Enforce) Our Neighborhoods plan focuses on: foreclosure education, prevention and management, reorganizing city

government for improved regulation of private property; and enhanced enforcement and monitoring of current and potential problem properties.

- Develop youth services with an emphasis on youth employment including outreach, recruitment, training, and placement.
- Implement HUD funded Lead-Based Paint Hazard Control and Reduction Programs in Worcester to assist in lead-based paint hazard reduction through interim controls or hazard abatement of existing residential structures.
- Work with Worcester County's HIV/AIDS service and housing organizations to provide network of support, subsidies and short-term funds to those living with HIV/AIDS. Also provide scattered-site and congregate affordable housing, ensure that funded programs provide low barrier, flexible housing for a range of people and families, and fund supportive services and housing information and advocacy to increase access to care and decrease homelessness.
- Collect and analyze all available quantitative and qualitative data in support of city, state and federal policy and program development and make recommendations accordingly.
- Research and evaluate all prospects for leveraging new private and public funds and resources for community and economic development as well as for public services.
- Coordinate with all appropriate city departments, state and federal agencies in new policy and program development.
- Prepare reports and analyses as requested by City Council and City Manager regarding Neighborhood and Housing initiatives and issues.
- Update the City of Worcester Housing Market Analysis and Housing Policy.
- Update the HOPWA needs assessment for the Worcester [County] Eligible Metropolitan Statistical Area (EMSA).
- Look to expand the membership of the HOPWA Advisory Committee particularly with regard to representation in Northern and Southern Worcester County.
- Update the City of Worcester Analysis of Impediments (AI) to Fair Housing.
- Update City of Worcester Fair Housing Plan and Plan to Affirmatively Further Fair Housing (AFFH).

HOUSING DEVELOPMENT GOALS & OBJECTIVES

Goal 1: Update Housing Market Analysis and Housing Policy/Plan, including Fair Housing Plan and Plan to Affirmatively Further Fair Housing.

2010-11 Objectives:

- Develop scope of services, identify financial resources, purchase order in place.
- Advertise consultant services for bid.

- RFP review, consultant selection and contract awarded by Summer 2010
- Public hearings to review current policies and discuss citizen comments on housing needs during summer 2010.
- Preparation of *draft* Housing Market Analysis by fall 2010.
- Presentation of findings of housing market analysis with preliminary strategic policy recommendations by fall 2010.
- Discussions, public review and recommendations on final City of Worcester Strategic Policy Plan by winter 2010.
- City Council deliberation and approval of final City Housing Policy/Plan by spring 2011..

Goal 2: Stabilize city neighborhoods that are strained by the epidemic of mortgage foreclosures, through implementation of the City Manager's comprehensive three-part S.A.V.E. (Stabilize-Assist-Value-Enforce) Our Neighborhoods action plan aimed at dealing with vulnerable properties and protecting the local housing stock. Work to stabilize city neighborhoods that are strained by the epidemic of mortgage foreclosures, through implementation of the City Manager's comprehensive three-part "S.A.V.E. Our Neighborhoods" action plan in conjunction with public and other resources leveraged through the federal and state funded Neighborhood Stabilization Programs (NSP) aimed at dealing with vulnerable properties and protecting the local housing stock. The S.A.V.E. (Stabilize-Assist-Value-Enforce) Our Neighborhoods plan focuses on: foreclosure education, prevention and management, reorganizing city government for improved regulation of private property; and enhanced enforcement and monitoring of current and potential problem properties.

Policy Elements:

- Support the S.A.V.E. Our Neighborhoods/NSP plan through foreclosure education, prevention and management programs.
- Support the S.A.V.E. Our Neighborhoods/NSP plan through the reorganization of city government for improved regulation of private property.
- Support the S.A.V.E. Our Neighborhoods/NSP plan through enhanced enforcement and monitoring of current and potential problem properties.

2010-15 Objective(s):

- Stabilize city neighborhoods strained by mortgage foreclosures.
- Deal with vulnerable properties and protect local housing stock

- Deal with vacant and abandoned properties.

Goal 3: Implement City of Worcester Housing Strategy.

Policy Elements:

- Preserve the Existing Housing Stock
- Maintain and Preserve an Adequate Supply of Low and Moderate-Income Housing
- Support Family Self-Sufficiency Initiatives
- Preserve Worcester's Historic Architecture
- Recognize the Importance of Joint Economic Development Initiatives as they relate to housing by expanding economic opportunities in Targeted Areas
- Mitigate the Impact of the Mortgage Foreclosure Crises
- Enforce and Expand Current Housing Development Policies in an effort to cut "red tape" to achieve best outcomes
- Respond to the needs of specific populations including the Elderly and the Disabled
- Diversify the Housing Stock through incentives that stimulate mixed-income housing development.

2010-15 Objective(s):

➤ Streamlined Delivery System.

- All project applications will be reviewed by an interdepartmental Project Review Team. Projects will be evaluated based upon compliance with program requirements and grant criteria, eligibility, economic impact of project, compatibility of the project with the surrounding neighborhood, consistency with area revitalization plans, financial analysis and viability, sustainability of project, and other underwriting criteria.
- Projects are selected based on predetermined criteria that includes location, consistency with neighborhood and comprehensive economic development plans, cost reasonableness, long-term sustainability, leveraging of resources, number of total units to be developed, housing type, unit size and appropriateness, and number of market rate and affordable units to be created.
- Worcester will select projects that are consistent with existing plans, comply with current housing policies, and support citywide initiatives (e.g., Three-Year Plan to End Chronic Homelessness, Property Review Team, and S.A.V.E. Our Neighborhoods).

- A completed application is required for all proposed projects for which local funding is being requested. A single application will allow review for eligibility for all funding sources for which the property may qualify.
- All projects will be fully vetted to ensure compliance with all federal, state, and local rules and regulations.
- Projects selected for funding must meet all requirements of the funding sources(s).
- Applications will be reviewed and prioritized for advancement based on the criteria identified above. Applicants will be formally notified in writing of project approval or rejection.

➤ **Leveraging Resources**

- The City has a strong desire to leverage public resources and will give preference to projects that leverage private equity. In addition, any profit on development will be limited to a maximum of 9.5% of the total development costs.
- In accordance with HOME program regulations, HOME funds must be matched in an amount equal to no less than 25% of the total HOME funds drawn down for project costs. The City will prioritize projects that assist in meeting this regulatory requirement.
- The City reserves the right to reduce or eliminate the requirement for leveraging in specific areas that are distressed as an incentive for developers to target redevelopment efforts in strategic neighborhoods.

➤ **Housing Policy Development Process**

- Creation of the Neighborhood Revitalization Advisory Council
- This Council will be appointed by the City Manager with appointments to consist of at least one representative from each of the neighborhood strategy areas and will include at least seven but no more than nine members. Membership shall include, but is not limited to, at least one representative from a community development corporation, one resident, and one small business owner. One private, for-profit developer, one lending institution, and one representative from a college or university. The role and responsibilities of the Council will be clearly defined prior to its establishment. The Advisory Council will be chaired by the Assistant City Manager. The Advisory Council will be responsible for ensuring an inclusive, detailed planning process involving the following steps:
- The Neighborhood Revitalization Advisory Council will review current policy and provide recommendations within the proposed framework to address current market conditions and address emergent housing issues by:

- Providing recommendations for revisions to planning, zoning, and building requirements
- Providing recommendations for creating new financing sources and techniques
- Increase education, outreach, and advocacy
- Provide recommendations for developing strong, economically diverse neighborhoods
- Advocate for legislation of importance to the City.

➤ **Housing Strategy Priority – Increase Homeownership**

Education and Counseling

- The City will continue to support the efforts of the Neighborhood Homeownership Center for funding multiple staff positions under the Community Development Block Grant program.
- The City will continue to partner with other participating agencies and will maintain its vote as an active member of the Homeownership Center Partnership.
- The City will continue to require that participants receive a minimum of eight hours of homebuyer education prior to participation in any financing programs.
- The City will continue to perform outreach to target audiences to assist with marketing efforts to first-time buyers.
- The City will seek additional funding sources for the Center and will commit to supporting goals that result in the growth of the Center to ensure adequate capacity to fulfill community needs.

Financial Assistance Programs

Down Payment Assistance Programs

- The City will reserve funds each year as part of the annual allocation of HOME funds to be used specifically for the down payment assistance program.
- The down payment assistance program will provide deferred payment loans to eligible buyers to assist with down payment and eligible closing costs. These loans will be deferred with 0% interest until the property is sold or transferred.
- The City will not subordinate down payment assistance mortgages.

- Recaptured funds and program income will be used to create a revolving loan pool with use restricted to recycling the funds to provide down payment assistance and closing costs for other eligible applicants. Recapture of funds will assist in the creation of a sustainable resource over time.
- The City will reserve the right to waive recapture in specific target areas as a means to incent homebuyers to purchase in strategic locations. These locations will be determined in collaboration with the Neighborhood Revitalization Advisory Council and detailed on a location map.
- The City will add upfront mortgage insurance costs as an eligible closing cost to assist low and moderate income buyers in lowering monthly payments by avoiding monthly mortgage insurance premiums.
- The City will continue to partner with state agencies to support initiatives and programs that target homebuyers (e.g., MHP – Funds for Fixer Uppers)
- The City will continue to partner with local lenders, real estate professionals, and others in an effort to offer marketing tools and programs geared toward increasing homeownership (e.g., www.BuyWorcesterNow.com)
- The City will consider homeownership a priority for all federal funding that is administered through HUD.

Strategies and Responses to Current Market Conditions

- Recapture of down payment assistance funds may be waived in target areas as a means to incent homebuyers to purchase properties in strategic locations. These designated areas will be developed in collaboration with the Neighborhood Revitalization Advisory Council and be clearly defined on a location map.
- The City will annually review all housing priority strategies and evaluate them to ensure that strategies are achieving the desired outcomes.

➤ **Housing Strategy Priority – Keeping People in Their Homes**

It is proposed to accomplish this goal by:

1. First Time Homebuyer Education

- The City will continue to support the efforts of the Neighbor works Homeownership Center by providing financial support through the Community Development Block Grant Program.
- The City will continue to work with the Homeownership Center and its Partners to develop and implement a curriculum that is unbiased and that does not

unwillingly provide an audience for solicitations from lenders, real estate professionals, or other professionals involved in the home buying process.

- The City will continue to support the efforts of the Homeownership Center to provide an online education curriculum.
- The City will continue to work with the Homeownership Center and its Partners to expand the capacity of the Center to better accommodate community needs.
- The City will encourage the Homeownership Center and its Partners to consider offering classes in a larger venue where more participants may participate in an effort to shorten the length of time participants must wait for a class.
- The City will continue to lobby state and federal funding agencies in an effort to share the many successes of the Homeownership Center and to assist the Center in becoming a national model for homebuyer education.

2. Financial Literacy

- The City will continue to support the counseling efforts of the Neighbor works Homeownership Center by providing financial support for both pre- and post-purchase counseling.
- The City will work with community agencies, social service agencies, health and housing agencies, and others in an effort to raise awareness about the risk factors involved in foreclosure and offer information and training in an effort to better identify at-risk borrowers.
- The City will work with the Homeownership Center to build capacity to better respond to the needs of the community.

3. Financial Assistance Programs

- The City will work to explore short-term loan programs to assist owners who have fallen behind on mortgage payments due to job loss or illness or who have suffered an otherwise finite financial setback.
- Recognizing that many local homeowners and investor owners may owe more on their mortgages than their property is worth, and recognizing that these owners may not have available resources or access to credit that will allow them to properly maintain their property, the City will seek to provide resources and assistance to private owners in the maintenance, rehabilitation and ongoing management of their homes and apartments. We propose the creation of a housing rehabilitation program funded by HOME.

4. Responses to Current Market Conditions

- The City will review these strategies on an annual basis to review progress and to ensure that implemented strategies are resulting in the desired outcomes.
- The City will continue to work with state and local partners including DHCD, MHIC, CHAPA, MHP, Mass Housing, local lenders, real estate professionals, and others to ensure that all possible strategies are considered.

➤ **Housing Strategy Priority – Mitigate the Impact of Foreclosure on Neighborhoods**

It is proposed to assist in the stabilization of neighborhoods by implementation of the following strategies:

1. Target Foreclosed, Vacant, and Abandoned Properties

- In addition to the City Administration's comprehensive S.A.V.E., the City will undertake the following activities:
- The City will track and monitor abandoned residential structures under the Inspectional Services Division and in collaboration with the Division of Neighborhoods and Housing Development.
- The City will proactively seek to target properties that are vacant, abandoned, and/or have been foreclosed upon. It will aggressively monitor Warren Group Data and the Registry of Deeds and will identify key properties to be addressed.
- The City will continue to identify troubled properties through the interdepartmental Problem Property Team (PRT) and aggressively seek to address these properties through code enforcement, financial assistance strategies, and case management.
- The City will aggressively and proactively seek to identify projects for financial assistance by reaching out to the community through partnerships with community development corporations, housing production agencies, local lenders, real estate professionals, health and social service agencies, code enforcement, and general marketing efforts. Applications for assistance will be made available to the general public and will be posted on the City's website.
- The City will continue to partner with state agencies including Mass Housing, Mass Housing Partnership (MHP), Mass Housing Investment Corporation (MHIC), and Citizens Housing and Planning Association (CHAPA) on key initiatives, staff advisory councils, collaborate on joint financing projects, and pilot new state programs and offer technical assistance to other communities.
- The City will seek to partner with private, for-profit developers to assist the city in implementing state partnered, housing initiatives (i.e., CHAPA First Look Program, MHIC/NSP 2). Private, for-profit developers will be selected through a public RFP process.
- The City will continue to give priority to community development corporations and housing production agencies for properties participating in the CHAPA First Look Initiative and NSP @ applications through the Mass Housing Investment Corporation.
- The City will continue with a coordinated, interdepartmental approach that includes Planning, Economic Development, Inspectional Services, Police, Fire, Public Works, and the City Manager's Office.

2. Interdepartmental Revitalization Efforts

- The City will coordinate strong, clear and consistent code, health and ordinance enforcement actions among all City departments.

- The City will seek ways to improve the permitting process as well as Zoning Board of Appeals process through system review and change, education, and tracking.
- The City will foster an environment of proactive planning.
- The City will explore innovative zoning incentives to encourage development that fosters “smart growth” such as:
 - a. Density incentives to encourage housing in areas that will accommodate density
 - b. Development incentives to encourage housing production near transportation points of access
 - c. Zoning flexibility to promote the adaptive re-use of non-residential, underutilized or vacant buildings for redevelopment
- The City will seek to utilize municipal tax and fee abatements to the fullest extent possible in cases where liens have accrued and are preventing the redevelopment of a property or parcel by a developer.
- The City will exercise its right to foreclose on delinquent tax liens systematically and to the fullest extent possible. This includes assuring enough resources to pursue and expedite foreclosures as well as possible reforms to state laws, regulations and practices that impede this objective.

3. Financial Assistance Programs

- The City will continue to give priority to Community Development Corporations and housing production agencies for properties participating in the CHAPA First Look Initiative.
- Properties rejected by the neighborhood CDC or partnering non-profit agency under the CHAPA First Look Program will be assigned to participating for-profit developers in accordance with the policies set for in the RFP.

➤ **Housing Strategy Priority – Mitigate the Impact of Foreclosure for Tenants**

1. Ensuring the Availability of Quality Affordable Rental Housing

- Tenants with the resources and means to do so will typically relocate on their own when the property they occupy is foreclosed upon. The City will develop strategies to ensure the City maintains an adequate supply of quality workforce housing.
- The City will maintain a minimum of 10% of the current housing stock as housing that is affordable to individuals and families with incomes not exceeding 60% of the Area Median Income (AMI) levels determined by the U.S. Department of Housing and Urban Development.
- The City will strive to seek a balance between the demand for affordable and market rate units and stimulate the development of mixed income housing.

- Recognizing that the majority of Worcester’s housing stock is privately owned, the City will continue to preserve the affordability and quality of this stock by providing resources and assistance to private homeowners and investor owners in the maintenance, rehabilitation, and ongoing management of their homes and apartments.

2. Interdepartmental and Community Response

- The City will provide a coordinated response to occupied properties where lending institutions have taken possession or where private owners have seemingly walked away from their mortgages.
- Under the current ordinance, the City will require that foreclosing lenders provide a minimum deposit of \$5,000 to the City to serve as a reserve and to reimburse the City for maintenance and/or upkeep of properties they own.
- The City will bring court action for receivership for any properties that are without management and that harbor significant code violations that threaten the health and safety of occupants.
- The City will continue to work with Worcester Community Housing Resources to maintain a loan fund available to court appointed receivers in an effort to ensure access to adequate financing mechanisms to effect court ordered repairs.
- The City will continue to partner with state and local agencies to prioritize, implement and fund active Receivership Programs to assist in stabilizing properties and neighborhoods and to ensure the health and safety of resident occupants.

➤ **Housing Strategy Priority – Mitigate the Impact of Foreclosure for Homeowners**

The City will assist those who have lost their homes to foreclosure and immediately stabilize the vacant property in the following ways:

1. Ensure an Adequate Supply of Quality, Affordable, and Market Rate Housing

- The City will develop strategies to ensure that the City maintains an adequate supply of quality, affordable and market rate housing.
- The City will maintain a minimum of 10% of the current housing stock as housing that is affordable to individuals and families with incomes not exceeding 60% of the Area Median Income (AMI) levels determined by the U.S. Department of Housing and Urban Development.
- The City will strive to seek a balance between the demand for affordable and market rate units and stimulate the development of mixed income housing.
- Recognizing that the majority of Worcester’s housing stock is privately owned, the City will continue to preserve the affordability and quality of this stock by providing resources and assistance to private homeowners and investor owners in the maintenance, rehabilitation, and ongoing management of their homes and apartments.

2. Interdepartmental Response in Conjunction with the S. A.V.E. Plan

- Promptly identify vacant properties in need of board-up and secure properties against trespassing and vandalism and threats to public safety.
- Police vacant structures in an effort to prevent drug activity and escalation of neighborhood crime.
- Identify and track vacant, abandoned, and newly foreclosed properties. Prioritize resources to address these properties through demolition, rehabilitation, or receivership.

3. Financial and Credit Counseling

- The City will continue to support efforts of the Neighbor works Homeownership Center through funding multiple staff positions under the Community Development Block Grant program.
- The City will continue to partner with other participating agencies and will maintain its vote as an active member of the partnership.
- The City will continue to perform outreach to target audiences to market the counseling services offered by the Homeownership Center.
- The City will seek additional funding sources for the Homeownership Center and will commit to supporting goals that result in the growth of the Center to ensure adequate capacity to fulfill community need.

4. Financial Assistance Programs

- The City looks to support programs that offer short and long term rental assistance to low and moderate income individuals and families.
- The City will coordinate immediate housing needs with transitional housing programs and the three year plan to end homelessness.
- The City will look to the Neighborhood Revitalization Advisory Council to identify and assist with the high cost of moving (i.e., first and last months rent, security deposit, storage fees, etc.)

➤ **Housing Strategy Priority – City Incentive to Encourage Development**

Unlike certain Federal and State governmental institutions, City government is not empowered or organized to regulate economic development of investment. Its primary influences – property tax and zoning – were not established to manage economic activity but instead for municipal finance and public health and safety purposes. That said, the City of Worcester, through these and other tools, does have some leverage over investment and the creation of residential opportunities through a number of avenues.

1. **Development Incentives**

1a. Zoning Code

The City of Worcester's zoning code allows for a broad range of uses, densities, and site design throughout the city's neighborhoods. Working with the Planning Board and the Zoning Board of Appeals, the City modifies its zoning codes to accommodate positive new growth. These growth opportunities are balanced however, by the need to maintain a balance of places to live, work, and recreate as well as a strong quality of life.

- The City will work to review existing neighborhood zoning to ensure it appropriately addresses residential needs.

1b. Land Disposition/LDA's

The City of Worcester possesses land in many neighborhoods acquired for either a public purpose or through the tax foreclosure process. These properties can have an important impact on the realization of neighborhood stabilization efforts and can be used for a variety of purposes. Working with the Neighborhood Revitalization Advisory Council, the City will:

- Identify key strategic parcels, potential reuse strategies, and a timeline for disposition. These properties will then be queued for a public bidding process, either by auction or a request for proposals process.
- Establish a program of care and maintenance of vacant publicly owned parcels working with neighborhood-based partners.
- Establish an annual monitoring process for private compliance with land disposition agreements and related legal obligations.

1c Potential New Tools

The City of Worcester has been a key player in the Gateways Cities Initiative, whereby eleven communities in Massachusetts rallied together to focus the Commonwealth's attention on the importance of our urban centers. Together with Brockton, Fall River, Fitchburg, Haverhill, Holyoke, Lawrence, Lowell, New Bedford, Pittsfield, and Springfield, Worcester joined a Gateways Cities Compact pledging to "Provide the Commonwealth with innovative strategies to address the state's housing, infrastructure, environmental, and labor force challenges." As part of this initiative, a Gateways Cities Caucus was formed including each community's representation to the Massachusetts General Court. This caucus introduced H. 2702, An Act to Promote Economic Development in Gateway Cities. Among its many elements, H. 2702 proposed increasing the historic tax credit, creating a market-rate housing tax credit, and a homeowner rehabilitation tax credit, all designed to improve our neighborhoods and expand the amount of quality housing in the Commonwealth.

- The City will manage a number of Federal and State loan and grant programs designed to address different neighborhood needs. Those specifically focused on residential development include:
- HOME
- NSP + NSP2
- Other State and Federal Programs

The City also can recommend certain other Federal and State incentive programs, rooted in either grants, loans, credits, or tax incentives.:

- Federal Housing Programs (Historic Tax Credits)

- State Housing Programs (Affordable Housing Tax Credits, Affordable Housing Trust Dollars, UCH-TIF, etc.)

The City will seek to allocate these resources in the ways:

- The City will develop strategies to ensure that the City maintains an adequate supply of quality, affordable rate and market rate housing.
- The City will maintain a minimum of 10% of the current housing stock as housing that is affordable to individuals and families with incomes not exceeding 60% of the Area Median Income (AMI) levels determined by the U.S. Department of Housing and Urban Development.
- The City will strive to seek a balance between the demand for affordable and market rate units and stimulate the development of mixed income housing.
- The City will seek to provide HOME funds for housing development through a semi-annual Request For Proposals (RFP) process that will coincide with the state One-Stop application rounds.
- The RFP will be available to both non-profit and for-profit developers. Projects will be discussed as part of a public forum and will be posted for public viewing.
- The City will seek to implement recapture of HOME program funds as part of a strategy to ensure that HOME funds remain available for future development. Under this recapture provision, funding may be offered in the form of forgivable-loans, deferred payment loans, and/or amortizing loans.
- Projects that support the city in meeting its goals and objectives for mixed income housing that integrates the preferred ratio of affordable units to market rate units will be offered the most favorable terms.
- The City will generally not subordinate HOME program mortgages except for extenuating circumstances or to ensure continued affordability.
- Recaptured funds and program income will be used to create a revolving loan fund with use restricted for the sole purpose of housing development. Recaptured funds will be recycled to ensure future affordable housing production.
- The City will reserve the right to waive recapture in specific target areas as a means to incent housing development in strategic locations. These locations will be determined in collaboration with the Neighborhood Revitalization Advisory Council and clearly detailed on a location map.

2. Enforcement of Existing Development Policies and Restrictions

- The City will seek to enforce existing land use restrictions, affordable housing restrictions and land disposition agreements.
- The City will notify owners of property in suspected by violation formally and in writing.
- Any owner that receives notice of a suspended violation to an enforceable restriction or agreement will have thirty (30) days to respond.

- Any owner who fails to respond will receive a second notice by certified mail and will be given seven (7) additional days to respond.
- Any owner who fails to respond to the second notice will be considered in violation of the restriction or agreement and the city will take legal action in accordance with the terms of the restriction or agreement.
- The City may select to amend the terms of an agreement or restriction or to enter into an alternate agreement if it is determined by the city to result in the highest and best use of the property.

Role of Federal and State Agencies

Strategies to Ensure Continued Collaboration and Continuity with Stated Goals and Objectives

- The City will continue to partner with state public and private agencies to implement stated goals and objectives and to assist partnering agencies with carrying out their stated goals when they are beneficial to residents and complement existing efforts.
- The City will seek to maintain existing state and federal relationships by maintaining active membership and participation on any state-wide advisory Council or council for which we are currently enrolled.
- The City will continue to partner with state agencies to pilot programs and assist in program development initiatives.
- The City will seek to establish continued collaboration with funding agencies in an effort to secure state resources to carry out stated goals and objectives.
- The City will seek to implement “Best Practices” in all housing programs and will work to administer programs that are free of administration errors or audit findings.
- The City will ensure that all federal and state partnering agencies are aware of the goals and objectives contained herein.

Goal 4: Preserve, Maintain and Develop Affordable and Subsidized Housing Units in accordance with Housing Market Analysis.

Policy Elements:

- The DNHD will give priority to the creation of mixed-income homeownership housing development and housing for senior citizens, veterans and people with disabilities.
- The DNHD will recommend that selected income-restricted units be allowed to expire in stable neighborhoods.
- The DNHD will partner with local housing agencies to promote continued affordable housing production.
- The DNHD will recommend consideration of tax abatements and fee exemptions to elderly owner occupants of affordable housing and developers of mixed income rental housing.

- The DNHD will provide tenant management assistance and education to owner-occupants, particularly the elderly, who are reluctant to rent vacant units.
- The DNHD will encourage the use of energy efficient products to improve affordability.
- The DNHD will focus programmatic efforts on neighborhoods in need of stabilization, particularly within newly established Neighborhood Revitalization Strategy Areas.

2010-15 Objectives(s):

- Complete production of 55 (30 ownership and 25 rental) new or rehabilitated affordable units currently in pipeline.
- Complete development of 40 market-rate housing units leveraged through pipeline production (estimated 20 units homeownership, 20 rental).
- Complete 15 units that are at or below 30% of area median income in support of the City's Plan to End Homelessness.
- Maintain current proportion of subsidized housing units (13.6% of total housing units).
- Implement HUD funded Lead-Based Paint Hazard Control and Reduction Programs through the NeighborWorks Home Ownership Center of Worcester to assist in lead-based paint hazard reduction through interim controls or hazard abatement of existing residential structures.
- Assist 140 households become homeowners or to retain their homes.
- Help 50 homeowners secure financing for home repair.

Goal 5: Reduce homelessness.

Policy Elements:

- The City of Worcester will coordinate with State agencies and non-profit service providers to develop and maintain quality supportive services housing.
- The City of Worcester will use a holistic, balanced approach to addressing the need for supportive services housing.

2010-15 Objective(s):

- Implement Homeless Intervention and Prevention programs in support of the "Three Year Plan to End Homelessness in Worcester."
- Work with Worcester County's HIV/AIDS service and housing organizations to provide network of support, subsidies and short-term funds to those living with

HIV/AIDS. Also provide scattered-site and congregate affordable housing, ensure that funded programs provide low barrier, flexible housing for a range of people and families, and fund supportive services and housing information and advocacy to increase access to care and decrease homelessness.

PUBLIC SERVICES GOALS AND OBJECTIVES

Goal 1: Work with neighborhood, community, and other grant funded service providers to reduce clientele dependency on government funded public services.

2010-15 Objectives:

- Facilitate implementation of CDBG funded programs in support of five (5) HUD designated Neighborhood Revitalization Strategy Areas. Develop specific, measurable outcomes for each NRSA activity, and monitor annual performance.
- Develop youth services with an emphasis on youth employment including outreach, recruitment, training, and placement, drop out prevention, teen pregnancy prevention, and more services for GLBTQ (Gay, Lesbian, Bi, Transgender, Questioning).
- Provide 500 low-income and underserved youth, ages 6 to 16, with meaningful after-school activities in a safe, secure environment.
- Annually connect 1,000 inner-city youth with swimming and summer recreational opportunities through a coordinated, transportation program.
- Enhance transportation system for 120 economically disadvantaged female youth, ages 5 to 12, from public grammar schools for an after-school educational, social and enrichment program.
- 450 persons (10% of clientele) served by neighborhood and community service centers will reduce their need for further government funded public services through provision of education, case management, skills training or jobs.
- An estimated 1,000 households will obtain income tax refunds annually (estimated average refund of \$1,500 per household) through the Volunteer Income Tax Assistance (VITA) e-file program. Nearly 500 (50%) will direct deposit their refund with 30 people opening new accounts and 15 households will obtain credit scores and strategies to improve them.
- Divert 1,000 families a year from the Massachusetts Department of Children and Families case loads through resources and assistance provided through the Worcester Community Connections Coalition New Family Center.

Goal 2: Reduce the number of homeless persons through the provision of permanent and supportive services housing.

2010-15 Objectives:

- Develop and implement Homeless Intervention and Prevention programs in support of the “Three Year Plan to End Homelessness in Worcester.”

- Work with Worcester County's HIV/AIDS service and housing organizations to provide network of support, subsidies and short-term funds to those living with HIV/AIDS. Also provide scattered-site and congregate affordable housing, ensure that funded programs provide low barrier, flexible housing for a range of people and families, and fund supportive services and housing information and advocacy to increase access to care and decrease homelessness.
- Save 100 households from homelessness through short-term emergency assistance for rental arrearages, mortgage payments, first/last/security deposits, and utilities' shut-off preventions.
- 50 households will obtain or maintain permanent housing through HUD funded supportive housing and housing for persons with AIDS programs.
- Work with the Rebuild Worcester Together Committee to provide emergency, safety or energy efficient related repairs annually in seven (7) houses (to the benefit of elder, disabled or very low-income homeowners) and for at-least one community service site or residential program.
- Provide case management and social services for 100 households who are at-risk of becoming homeless.
- Develop the homeless management information system to monitor and track the needs of all of the city's homeless persons and those who utilize said services.

Goal 3: Provide for the educational and social service needs of inner city, low-income populations.

2010-15 Objectives:

- Facilitate implementation of CDBG funded programs in support of five (5) HUD designated Neighborhood Revitalization Strategy Areas. Develop specific, measurable outcomes for each NRSA activity, and monitor annual performance.
- Develop youth services with an emphasis on youth employment including outreach, recruitment, training, and placement.
- Annually design, develop and implement at least one family driven social service program in order to address service gaps identified through the Worcester Community Connections Coalition and, empower 25 low income, inner city families.